

DATE: May 27, 2021

TO: Todd Wyett, Chairman
State Transportation Commission

FROM: Paul C. Ajegba
Director

SUBJECT: **Waiver of Commission Approval**

The projects and descriptions documented in Exhibit A, attached, are contracts between the Michigan Department of Transportation, local public agencies, rail and passenger transportation. These contracts require approval of the State Transportation Commission (STC). The approximate 8-week delay if Commission approval were deferred to the next STC meeting of July 22, 2021, would result in a delay in transmittal of funds, jeopardize project schedules, and transportation services.

The projects and descriptions documented in Exhibit A-1 attached, will be let by the Michigan Department of Transportation on June 4, 2021. These projects require pre-approval as the engineers' estimates are over \$500,000. The approximate 8-week delay resulting if Commission pre-approval were deferred to the next STC meeting on July 22, 2021, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedules.

The projects and descriptions documented in Exhibit A-2, attached, were let by the Michigan Department of Transportation on May 7, 2021. The low bids received were more than 10% over the engineers' estimate, or only received one bid, and therefore require approval by the STC. The approximate 8-week delay resulting if Commission approval were deferred to the next STC meeting on July 22, 2021, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedule.

The project and description documented in Exhibit A-3, attached, was let on May 7, 2021. This project is being submitted for informational purposes since only one bid was received for this project and the engineers' estimate was less than \$500,000.

Thus, a waiver of the required Commission approval is requested, as provided in Commission Resolution 79-3, as amended, footnote F:

"If, in the opinion of the Director, the public interest requires that a certain contract be awarded or an agreement be executed prior to approval by the Commission, hereunder, the Director shall seek a waiver of the required approval from the Chairman of the Transportation Commission. If the request of the approval is verbal, the waiver shall be confirmed, in writing, within fourteen (14) days."

If the waiver is granted, the Department will proceed to execute the items noted above.

Signed copy on file

Director

The request for waiver of Commission approval of the above-mentioned item is approved.

Signed copy on file

May 27, 2021

Todd Wyett, Chairman

Date

OFFICE MEMORANDUM

DATE: May 27, 2021

TO: State Transportation Commission

FROM: Jack Cotter, CPA, CGMA
Commission Auditor
Office of Commission Audits

SUBJECT: State Transportation Commission Agenda – Exhibit A
May 27, 2021

As information requested by the Commission, the Office of Commission Audits (OCA) notes in Attachment 1, the Schedule of Receivables Outstanding, that Exhibit A includes entities that owe the department funds exceeding \$20,000 for more than 120 days. Attachment 1 shows relevant information regarding the receivables as of May 25, 2021.

Also, Guidance Document 10044, *Michigan Department of Transportation (MDOT) Requests for OCA Attestation Engagements and Procedures Regarding the Processing of Independent Certified Public Accountant's Review Reports*, requires the department to process OCA independent certified public accountant's review reports within 120 days of issuance. As of May 25, 2021, Exhibit A does not include any entities for which auditor's reports were not processed within the required timeline.

Jack Cotter, CPA, CGMA
Commission Auditor

Attachment

cc: T. Hagon

Office of Commission Audits
Schedule of Receivables Outstanding
Receivables Issued Prior to January 25, 2021
As of May 25, 2021

<u>Entity</u>	<u>Reference No.</u>	<u>Type of Receivable</u>	<u>Outstanding</u>	<u>Invoice Date</u>
City of Jackson	Item 3	Local Progress Billing	\$ 110,321	November 27, 2019

Comments:

The city owes \$110,321 for the local share of reconstruction and traffic signal modernization projects. The Michigan Department of Transportation (MDOT) does not have any concerns regarding the collection of this receivable. Finance plans to reissue the original statement to the city and anticipates payment from the city.

City of Vassar	Item 9	Local Progress Billing	\$ 35,732	August 31, 2020
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Comments:

The city owes \$35,732 for the local share of a milling and once course asphalt overlay project. MDOT does not have any concerns regarding the collection of this receivable. Finance plans to issue a second notice of the amount due to the city and anticipates payment from the city.

REQUEST FOR MICHIGAN STATE TRANSPORTATION COMMISSION APPROVAL

CONTRACTS

May 27, 2021

The following contracts are being submitted for approval. The appropriate documents will be approved by the Attorney General and comply with all legal and fiscal requirements prior to award.

CONTRACTS

1. HIGHWAYS - Participation for State Local Agency Bridge Construction Contract
Contract (2021-5093) between MDOT and Kent County will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program:

Rehabilitation work on structure 5038 in the County of Kent.

Estimated Funds:

Federal Highway Administration Funds	\$281,120
State Restricted Trunkline Funds	\$ 52,710
Kent County Funds	<u>\$ 17,570</u>
Total Funds	<u>\$351,400</u>

BHT 41000 – 209818CON
Local Construction

2. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5095) between MDOT and the Genesee County Road Commission will provide for participation in the following improvements:

Sign mounted flashing beacons on stop signs, intersection warning signs and stop bars at McCandlish Road at Vassar Road.

Estimated Funds:

Federal Highway Administration Funds	\$23,499.81
Genesee County Funds	<u>\$ 5,874.95</u>
Total Funds	<u>\$29,374.76</u>

HSIP 25000 – 210434CON
Local Force Account

3. HIGHWAYS - Participation for State Local Agency Bridge Construction Contract
Contract (2021-5101) between MDOT and the City of Jackson will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program:

Rehabilitation work on structures 4535, 4540, 4542, and 4544 in the city of Jackson.

Estimated Funds:

Federal Highway Administration Funds	\$125,120
State Restricted Trunkline Funds	\$ 23,460
City of Jackson Funds	<u>\$ 7,820</u>
Total Funds	<u>\$156,400</u>

BHT 38000 – 208108CON
Local Construction

4. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5106) between MDOT and the Charlevoix County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds designated for Local Agency projects (FHWA STP – Rural Funds):

Base crushing, shaping, and resurfacing work along Clarion Road from Highway US-131 easterly to River Road, including aggregate shoulder, guardrail replacement, and pavement marking work.

Estimated Funds:

State Restricted TED Funds	\$ 81,000
FHWA STP – Rural Funds	\$263,300
Charlevoix County Road Commission Funds	<u>\$ 0</u>
Total Funds	<u>\$344,300</u>

STL 15000 – 205622 ; Cass County
Letting of 5/7/21

5. HIGHWAYS - Participation for State Local Bridge Construction Contract
Contract (2021-5112) between MDOT and the Bay County Road Commission will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program:

Bridge rehabilitation work on structure 686, which carries West Anderson Road over the north branch of the Kawkawlin River, Sections 29 and 30, T16, R3E, Garfield Township, Bay County, Michigan; shallow concrete deck overlay, bridge guardrail railing retrofit, concrete bridge approach paving, bridge approach milling and resurfacing, bridge approach guardrail replacement, pavement marking, and maintaining traffic work.

Estimated Funds:

State Restricted Trunkline Funds	\$291,600
Bay County Road Commission	<u>\$ 15,400</u>
Total Funds	<u><u>\$307,000</u></u>

MCS 09000– 205962; Bay County
Letting of 5/7/2021

6. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2021-5117) between MDOT and the Menominee County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds):

Preventative maintenance work along County Roads 374, 352, and 577, including chip seal, single course chip seal, and fog seal work.

Estimated Funds:

State Restricted TED Funds	\$197,064
Menominee County Road Commission Funds	<u>\$297,341</u>
Total Funds	<u><u>\$494,405</u></u>

STL 55000 – 212171; Menominee County
Letting of 5/7/21

7. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2021-5124) between MDOT and the Benzie County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds designated for Local Agency projects (FHWA STP – Rural Funds):

Hot mix asphalt base crushing, shaping, and resurfacing work along River Road from the Betsie River crossing east to the Benzonia Village limits, including trenching and pavement marking work.

Estimated Funds:

State Restricted TED Funds	\$ 60,007
FHWA STP – Rural Funds	\$270,611
Benzie County Road Commission Funds	<u>\$ 16,725</u>
Total Funds	<u><u>\$347,343</u></u>

STL 10000 – 212346 ; Benzie County
Letting of 5/7/21

8. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5134) between MDOT and the Cass County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds designated for Local Agency projects (FHWA STP – Rural Funds):

Hot mix asphalt cold milling and resurfacing work along Marcellus Highway from Goodenough Road to Hathaway Road, including shoulder paving and pavement marking work.

Estimated Funds:

State Restricted TED Funds	\$ 50,880.37
FHWA STP – Rural Funds	\$203,521.49
Cass County Road Commission Funds	\$ 0.00
Total Funds	<u>\$254,401.86</u>

STL 14000 – 207172 ; Cass County
Letting of 5/7/21

9. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5192) between MDOT and the City of Vassar will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt cold milling and resurfacing work along Athletic Street from Division Street to West Street. Crushing, shaping, and resurfacing work along Bourn Street from Grant Street to Cass Avenue.

Estimated Funds:

State Restricted TED Funds	\$ 74,095
City of Vassar Funds	<u>\$143,831</u>
Total Funds	<u>\$217,926</u>

TEDB 79000 – 211806
Local Letting

10. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5208) between MDOT and the County of Macomb will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category A Funds:

Hot mix asphalt milling and resurfacing work along Dequindre Road from Maplelane Avenue to 10 Mile Road, including as-needed base repair work, widening work, signal installation work at Oakgrove Avenue, and existing signal upgrade work at Woodward Heights Boulevard/Stephens Road.

Estimated Funds:

State Restricted TED Funds	\$1,404,229
County of Macomb	<u>\$ 546,089</u>
Total Funds	<u><u>\$1,950,318</u></u>

EDA 50000 – 212646
Local Letting

11. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5224) between MDOT and the Delta County Road Commission will provide for participation in the following improvements:

Roadway stabilization, aggregate surface course, and embankment work along County Road 529 (Summer Meadow G.5 Road) from Trombley 35th Road to one mile north.

Estimated Funds:

Federal Highway Administration Funds	\$ 81,850
Delta County Funds	<u>\$ 18,150</u>
Total Funds	<u><u>\$ 100,000</u></u>

STL 21000 – 212453CON
Local Force Account

12. HIGHWAYS - Participation for Local Agency Construction Contract
Contract (2021-5225) between MDOT and the Delta County Road Commission will provide for participation in the following improvements:

Roadway stabilization, aggregate surface course, and embankment work along 26th Road (County Road 434) from 10,326 feet west of N.5 Road westerly for one mile.

Estimated Funds:

Federal Highway Administration Funds	\$ 81,850
Delta County Funds	<u>\$ 18,150</u>
Total Funds	<u><u>\$ 100,000</u></u>

STL 21000 – 212454CON
Local Force Account

13. PASSENGER TRANSPORTATION - Section 5307 Program
Project Authorization (14) Revision (7) under Master Agreement (2012-0129) between MDOT and the Mass Transportation Authority (MTA) will extend the authorization term by 18 months to provide sufficient time for MTA to complete the projects. Progress on the projects was slowed because of coronavirus restrictions. The original authorization provides state matching funds for the FY 2013 Federal Section 5307 Urbanized Area Formula Program grant for facility rehabilitation and renovation, equipment purchases, preventive maintenance, and vehicle equipment purchases. Job Access and Reverse Commute Program funds provide work-related transportation to Genesee County residents accessing jobs in Oakland, Livingston, Lapeer, Saginaw, Washtenaw, and Genesee Counties. The revised authorization term will be September 9, 2013, through March 8, 2022. The authorization amount remains unchanged at \$29,327,419. The term of the master agreement is from October 1, 2011, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2012 through FY 2016. Source of Funds: Federal Transit Administration Funds - \$20,338,852; FY 2013, FY 2014, and FY 2015 State Restricted Comprehensive Transportation Funds - \$5,688,567; Michigan Department of Health and Human Services Funds - \$1,650,000; Michigan Department of Labor and Economic Opportunity Funds - \$1,650,000.
14. PASSENGER TRANSPORTATION – Michigan Mobility Challenge
Project Authorization (8) Revision (5) under Master Agreement (2017-0008) between MDOT and the Ann Arbor Area Transportation Authority (AAATA) will extend the authorization term by one year to provide sufficient time for AAATA to complete the demonstration project. The project has been delayed because of coronavirus restrictions. The original authorization provides 100 percent state funds under the FY 2019 Michigan Mobility Challenge for autonomous wheelchair securement systems in buses. The revised authorization term will be December 11, 2018, through June 10, 2022. The authorization amount remains unchanged at \$157,000. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: FY 2018 State Transportation Funds - \$157,000.
15. PASSENGER TRANSPORTATION - Section 5307/CMAQ/Section 5339 Programs
Project Authorization (13) Revision (1) under Master Agreement (2017-0104) between MDOT and the Muskegon County Board of Commissioners will increase state matching funds by \$203,750 for the purchase of additional replacement vehicles and will extend the authorization term by one year. The original authorization provides state matching funds for the FY 2019 Federal Section 5307 Transit Formula Grants Program, Congestion Mitigation and Air Quality (CMAQ) Improvement Program, and FY 2019 Federal Section 5339 Bus and Bus Facilities Formula Program grant for replacement vehicles, marketing and outreach, and support equipment. The revised authorization term will be August 19, 2019, through August 18, 2024. The revised authorization amount will be \$1,692,661. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: Federal Transit Administration Funds - \$1,354,129; State Restricted Comprehensive Transportation Funds - \$338,532.

16. PASSENGER TRANSPORTATION - Section 5311 Operating/JARC Programs
Project Authorization (36) under Master Agreement (2017-0130) between MDOT and the Suburban Mobility Authority for Regional Transportation will provide federal funds and state matching funds under the FY 2018 Federal Section 5311 Formula Grants for Rural Areas Program and the Job Access and Reverse Commute (JARC) Program. The funds will be used to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment. The authorization amount will be \$148,606. The authorization will be in effect from the date of award through three months. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: Federal Transit Administration Funds - \$74,303; FY 2021 State Restricted Comprehensive Transportation Funds - \$74,303.
17. RAIL – Procurement of Mainline BO Diamonds and Ancillary OTM
Project Authorization (36) Revision (1) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will extend the authorization term by approximately three months to provide sufficient time for Amtrak to complete the project. The additional time is needed because of a supplier delay. The original authorization provides for the purchase, transport, unloading, and securement of four mainline diamonds, ancillary other track materials (OTM), and ballast for future replacement of the BO diamonds at mile post (MP) 143.09 and MP 143.16 in the City of Kalamazoo, Kalamazoo County, Michigan. MDOT compensates Amtrak for eligible costs under the approved scope and estimate. The revised authorization term will be September 15, 2019, through December 31, 2021. The authorization amount remains unchanged at \$759,321. The term of the master agreement is from December 7, 2012, through September 30, 2032. Source of Funds: State Restricted Comprehensive Transportation Funds - \$759,321.
18. RAIL – Cattle Pass Bridge Removal
Project Authorization (41) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will provide funding for the removal of a cattle pass bridge and the installation of a culvert to replace it at mile post 112.4 in Marshall Township, Calhoun County. MDOT will compensate Amtrak for eligible costs under the approved scope of work and estimate. The authorization term will be May 1, 2021, through December 31, 2021. The authorization amount will be \$280,218. The term of the master agreement is from December 7, 2012, through September 30, 2032. Source of Funds: State Restricted Trunkline Funds - \$280,218.
19. RAIL – Replacement of the BO Diamonds
Project Authorization (42) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will provide funding for the replacement of the BO Diamonds in Kalamazoo. MDOT will compensate Amtrak for eligible costs under the approved scope of work and estimate. The authorization will be in effect from June 1, 2021, through December 31, 2021. The authorization amount will be \$1,000,671. The term of the master agreement is from December 7, 2012, through September 30, 2032. Source of Funds: State Restricted Trunkline Funds - \$1,000,671.

20. *RAIL – Increase Amount
Amendatory Contract (2020-0743/A1) between MDOT and the Port of Monroe will increase the contract amount by \$145,382 to cover the higher than anticipated cost of the crane. The federal funding is being reduced by \$257,665, the MDOT funding is being increased by \$257,665 to cover the reduced grant amount, and the Port of Monroe is adding funds of \$145,382 to cover the additional cost of the crane. The original contract provides state matching funds for the Port of Monroe's United States Maritime Administration (MARAD) Marine Highway Grant for the purchase and assembly of a crane to transload railcars. The contract term remains unchanged, from September 15, 2020, until the last obligation between the parties has been fulfilled. The revised contract amount will be \$1,844,632. Source of Funds: State Restricted Comprehensive Transportation Funds - \$597,515; MARAD Funds - \$1,101,735; and Port of Monroe Funds - \$145,382.
21. *RAIL - Rail Passenger Operating
Contract (2021-0634) between MDOT and the National Railroad Passenger Corporation (Amtrak) will provide financial assistance for the daily operation of intercity rail passenger service between Port Huron, Lapeer, Flint, Durand, Lansing/East Lansing, Battle Creek, Kalamazoo, Dowagiac, and Niles, Michigan, and Chicago, Illinois; between Grand Rapids, Holland, Bangor, St. Joseph/Benton Harbor, and New Buffalo, Michigan, and Chicago, Illinois; and between Pontiac, Birmingham, Royal Oak, Detroit, Dearborn, Ann Arbor, Jackson, Albion, Battle Creek, Kalamazoo, Dowagiac, Niles, and New Buffalo, Michigan, and Michigan City, Indiana, Hammond-Whiting, Indiana, and Chicago, Illinois. The contract will also provide financial assistance for the use of Amtrak equipment pursuant to Section 209 of the Passenger Rail Investment and Improvement Act of 2008 (PRIIA). The contract will be in effect from October 1, 2020, through September 30, 2021. The contract amount will be \$14,958,500.11. Source of Funds: FY 2021 State Restricted Comprehensive Transportation Funds - \$14,958,500.11.
22. *RAIL - Freight Economic Development Program
Contract (2021-0636) between MDOT and Greene's Propane Gas, LLC, will provide financial assistance in the form of a grant for the installation of additional rail offloading equipment at the Greene's Propane Gas, LLC, propane-transload facility in Kawkawlin Township, Bay County, Michigan. The contract will be in effect from the date of award until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the appropriate grant funds have been dispensed. The estimated project cost is \$141,805. MDOT will reimburse Greene's Propane Gas, LLC, for 50 percent of the project cost up to a maximum amount of \$70,902.50. Source of Funds: FY 2021 State Restricted Comprehensive Transportation Funds - \$70,902.50; Greene's Propane Gas, LLC, Funds - \$70,902.50.
23. *RAIL - Freight Economic Development Program
Contract (2021-0651) between MDOT and King Steel Corporation will provide financial assistance in the form of a grant for the construction of a rail spur to serve the King Steel Corporation warehouse in Holly, Michigan, and act as a transload facility. The contract will be in effect from the date of award until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the appropriate grant funds have been dispensed. The estimated project cost is \$3,266,144. MDOT will reimburse King Steel Corporation for 50 percent of the project cost up to a maximum amount of \$1,633,072. Source of Funds: FY 2021 State Restricted Comprehensive Transportation Funds - \$1,633,072; King Steel Corporation Funds - \$1,633,072.

24. *RAIL - Freight Economic Development Program
Contract (2021-0652) between MDOT and Viking Energy of McBain, LLC, will provide financial assistance in the form of a grant for the addition of rail spurs and rail scale to the Viking Energy of McBain, LLC, power plant in McBain, Missaukee County, Michigan. The contract will be in effect from the date of award until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the appropriate grant funds have been dispensed. The estimated project cost is \$1,672,950. MDOT will reimburse Viking Energy of McBain, LLC, for 50 percent of the project cost up to a maximum amount of \$836,475. Source of Funds: FY 2021 State Restricted Comprehensive Transportation Funds - \$836,475; Viking Energy of McBain, LLC, Funds - \$836,475.
25. *RAIL - Freight Economic Development Program
Contract (2021-0657) between MDOT and Wilkinson Minerals, LLC, will provide financial assistance in the form of a grant for the construction of a rail spur and rail scale at the new Wilkinson Minerals, LLC, facility in Bay City, Michigan. The contract will be in effect from the date of award until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the appropriate grant funds have been dispensed. The estimated project cost is \$2,047,621. MDOT will reimburse Wilkinson Minerals, LLC, for 50 percent of the project cost up to a maximum amount of \$1,023,810.50. Source of Funds: FY 2021 State Restricted Comprehensive Transportation Funds - \$1,023,810.50; Wilkinson Minerals, LLC, Funds - \$1,023,810.50.
26. *RAIL - Freight Economic Development Program
Contract (2021-0664) between MDOT and Straits Wood Treating, Inc., will provide financial assistance in the form of a grant for the construction of a rail spur at the Straits Wood Treating, Inc., facility in Bay City, Michigan. The contract will be in effect from the date of award until the last obligation between the parties has been fulfilled, until the contract is terminated, or until the appropriate grant funds have been dispensed. The estimated project cost is \$185,206.74. MDOT will reimburse Straits Wood Treating, Inc., for 50 percent of the project cost up to a maximum amount of \$92,603.37. Source of Funds: FY 2021 State Restricted Comprehensive Transportation Funds - \$92,603.37; Straits Wood Treating, Inc., Funds - \$92,603.37.

Upon receipt of your approval, the contracts and agreements will be processed for award. Subject to the exercise of the discretion in the processing, I approve the contracts described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of April 7, 2021.

Respectfully submitted,

Paul C. Ajegba
Director

LETTING STATISTICS

May 2021

TRUNKLINE CONTRACTS OVERVIEW

The May 7th, 12th, and 14th bid lettings included 21 Trunkline contracts with \$289.3 million in total engineer estimates. The low bids received totaled \$266.1 million. The average of low bids received was \$485 thousand and a median of \$386 thousand. Of the 21 contracts, 8 included warranties with \$260.2 million as the low bid total. The Trunkline contracts received 56 bids. In comparison to May 2020, 16 Trunkline contracts were let with total engineer estimates of \$15.79 million, low bid dollars of \$17.10 million, and 44 bids received.

For fiscal year 2021 to date, 203 Trunkline contracts have been let with a low bid total of \$1.48 billion. For the same period of fiscal year 2020, 287 Trunkline contracts were let with the low bid total of \$737.5 million.

ALL PROGRAM AREA CONTRACTS SUMMARY

A total of 79 contracts were let with 250 bids received. The average number of bids per contract was 3.16.

For the May bid lettings, one project resulted in all bids rejected. No projects were withdrawn or postponed.

Of the 106 contracting companies approved to submit bids for the May lettings, 91 submitted at least one bid.

JOB PROJECTIONS

Job projections are Trunkline jobs specific in category and are classified under the work groups of road, bridge, and traffic and safety.

The list of jobs projected to be let during FY 2021 was updated on 05/20/2021 to include a total of 358 jobs with total construction cost estimates of \$1.84 billion.

For fiscal year 2021 through May 2021, 100% of jobs anticipated for this period have been let using 94.2% of the projected cost estimates.

UPCOMING LETTING STATS

The **June 4, 2021, Bid Letting**, is advertising 12 Trunkline contracts with total engineer estimates of \$7.60 million. There are no Trunkline contracts that include a warranty. In addition to the Trunkline contracts advertised for this letting, 44 Local Agency contracts with total engineer estimates of \$35.5 million are currently advertised. There are two Local Agency contracts estimated at \$2.17 million that include a warranty.

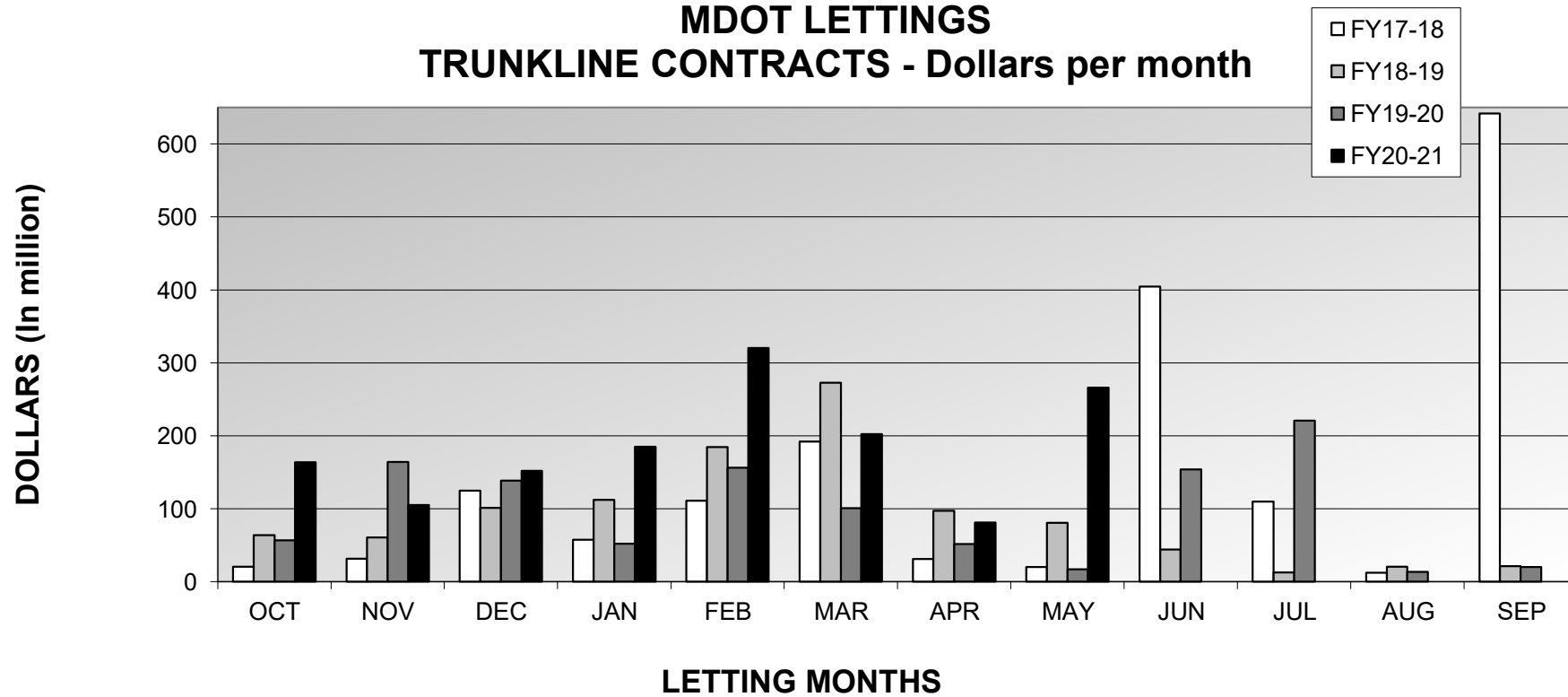
The **June 9, 2021, Special Bid Letting**, is advertising one Local Agency project estimated at \$69 thousand that does not include a warranty.

MAY 2021 LETTING SUMMARY

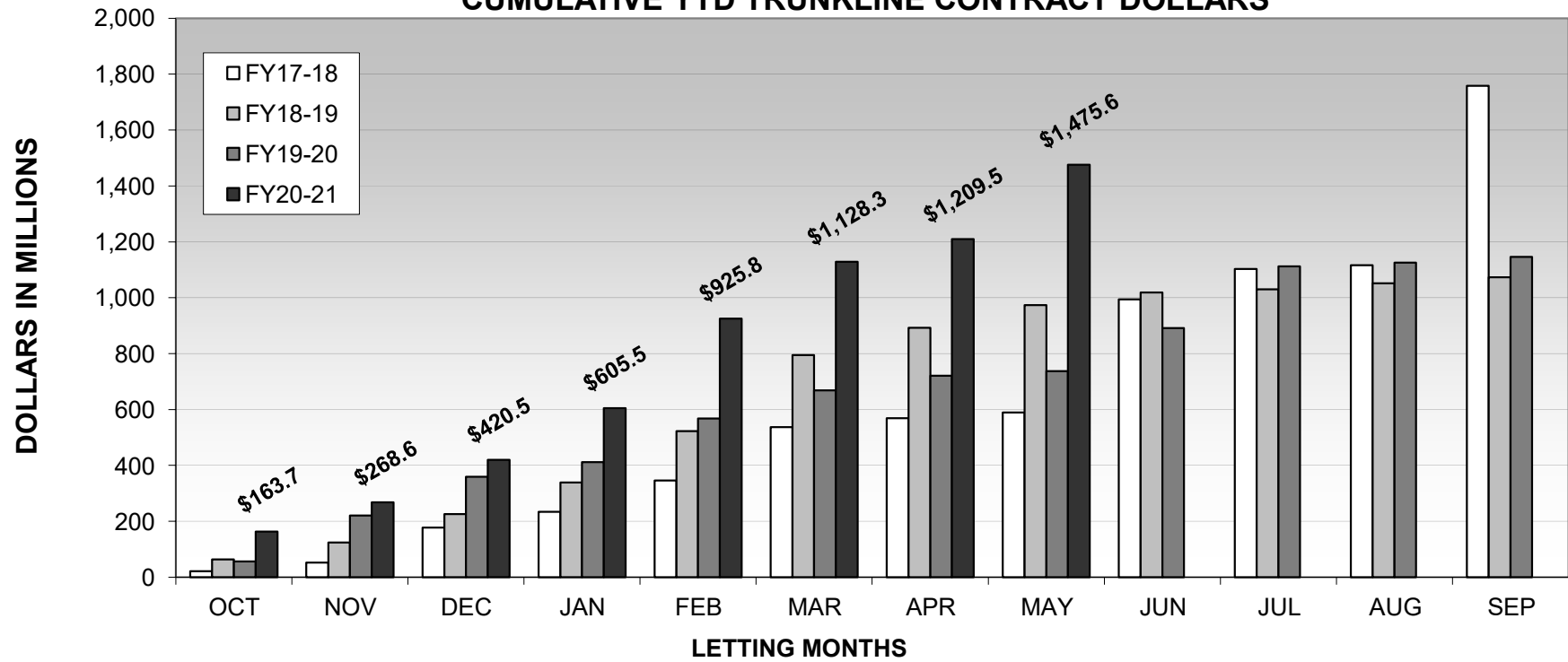
STATISTICS	PROGRAM AREA				
	TRUNKLINE	LOCAL AGENCY	AERONAUTICS	FREIGHT SERVICES	TOTALS
Project Report					
Number of Contracts Let	21	58	0	0	79
Engineer Estimates of Contracts Let	\$289,275,911.01	\$267,004,076.83	\$0.00	\$0.00	\$556,279,987.84
Low Bid Report					
Low Bid Total	\$266,104,049.36	\$275,511,530.72	\$0.00	\$0.00	\$541,615,580.08
% over/under Engineer's Estimate	-8.01%	3.19%	0.00%	0.00%	-2.64%
All Bids Rejected Report					
Number of Contracts - All Bids Rejected	0	1	0	0	1
Engineer Estimate Total	\$0.00	\$672,403.50	\$0.00	\$0.00	\$672,403.50
Low Bid Total	\$0.00	\$1,011,462.30	\$0.00	\$0.00	\$1,011,462.30
% over/under Engineer's Estimate	\$0.00	50.42%	\$0.00	0.00%	50.42%
Low Bids Pending					
Number of To Be Announced Contracts	1	5	0	0	6
Engineer Estimate Total	\$511,000.00	\$6,029,584.85	\$0.00	\$0.00	\$6,540,584.85
Low Bid total	\$511,000.00	\$7,465,302.11	\$0.00	\$0.00	\$7,976,302.11
% over/under Engineer's Estimate	0.00%	23.81%	0.00%	0.00%	21.95%
Bidder (Bids) Report					
Number of Bids Received	56	194	0	0	250
Average # of Bidders per Project	2.67	3.34	0.00	0.00	3.16
UPCOMING LETTING PROJECTIONS					

LETTING DATES	Trunkline	Local Agency	Aeronautics	Freight Services	Total
June 4, 2021, Bid Letting					
# of Contracts Advertised	12	44	0	0	56
# of Contracts with Warranties	0	2	0	0	2
\$ Engineer Estimates of Contracts Advertised (In million)	\$7,599,783.35	\$35,512,252.52	\$0.00	\$0.00	\$43,112,035.87
\$ Engineer Estimates of Warranty Contracts (In million)	\$0.00	\$2,168,552.88	\$0.00	\$0.00	\$2,168,552.88
June 9, 2021, Special Bid Letting					
# of Contracts Advertised	0	1	0	0	1
# of Contracts with Warranties	0	0	0	0	0
\$ Engineer Estimates of Contracts Advertised (In million)	\$0.00	\$69,000.00	\$0.00	\$0.00	\$69,000.00
\$ Engineer Estimates of Warranty Contracts (In million)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

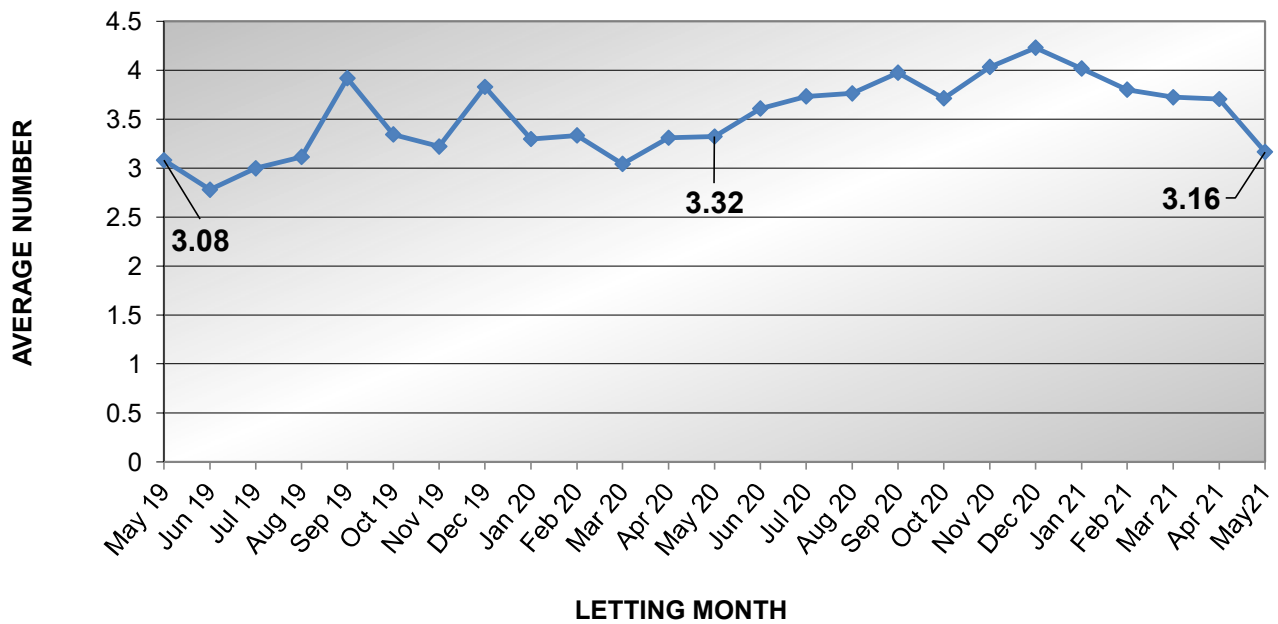
MDOT LETTINGS TRUNKLINE CONTRACTS - Dollars per month



MDOT LETTINGS CUMULATIVE YTD TRUNKLINE CONTRACT DOLLARS



AVERAGE NUMBER OF BIDDERS
MAY 2019 - MAY 2021



NUMBER OF BIDS - BY REGION

MAY 2021

REGION	NO BIDS	1 BID	2 BIDS	3 BIDS	4 BIDS	5 BIDS	6 BIDS	7 BIDS	8 BIDS	9 BIDS	=>10 BIDS	CONTRACTS BY REGION
BAY			1	7	5	1	1					15
GRAND		1	5	2	1	3						12
METRO		1	4	1	2	3	3	1				15
NORTH			2	3	1							6
SOUTHWEST			5	5	1	1						12
SUPERIOR			7	2								9
UNIVERSITY	1		2	4	2	1						10
NUMBER OF PROJECTS		2	26	24	12	9	4	1	0	0	0	79

REQUEST FOR MICHIGAN STATE TRANSPORTATION
COMMISSION APPROVAL
BID LETTING PRE-APPROVAL
May 27, 2021

The following contracts are being submitted for approval.

STATE PROJECTS

TRUNKLINE CONTRACTS

- | | | |
|----|---|--|
| 1. | Letting of June 4, 2021
Letting Call: 2106 026
Project: M 39121-212341
Local Agreement:
Start Date: September 13, 2021
Completion Date: September 24, 2021

5.24 mi of hot mix asphalt cold milling and resurfacing, concrete pavement repairs and pavement markings on I-94BS from west of I-94 to south of King Highway in the city of Kalamazoo, Kalamazoo County.

0.00 % DBE participation required | Prequalification Level:
\$1,167,000.00 |
| 2. | Letting of June 4, 2021
Letting Call: 2106 027
Project: ST 81081-211811
Local Agreement:
Start Date: September 7, 2021
Completion Date: October 28, 2021

0.55 mi of hot mix asphalt cold milling and resurfacing, concrete paving, curb, gutter, sidewalk and ramps, drainage, and pavement markings on Cross Street (M-17) from west of Summit Street to east of Huron Street in the city of Ypsilanti, Washtenaw County.

4.00 % DBE participation required | Prequalification Level:
\$815,000.00 |

3. Letting of June 4, 2021
Letting Call: 2106 028
Project: M 78022-212095
Local Agreement:
Start Date: August 2, 2021
Completion Date: October 29, 2021

7.51 mi of hot mix asphalt cold milling and resurfacing, concrete sidewalk, and pavement markings on M-103 from the Michigan/Indiana state line northerly to Cecelia Street, on M-66 north of the north junction with M86 and on US-12 from Klinger Lake Road easterly to M-66/Centreville Street, Saint Joseph County.

0.00 % DBE participation required
4. Letting of June 4, 2021
Letting Call: 2106 029
Project: M 23042-212386
Local Agreement:
Start Date: July 6, 2021
Completion Date: September 17, 2021

1.26 mi of hot mix asphalt resurfacing, culverts, and pavement markings on M-43 from west of Nixon Road to Broadbent Road, Eaton County.

0.00 % DBE participation required
5. Letting of June 4, 2021
Letting Call: 2106 046
Project: M 46062-212388
Local Agreement:
Start Date: July 12, 2021
Completion Date: September 3, 2021

2.07 mi of hot mix asphalt cold milling with single course overlay and pavement markings on US-223 from M-52 (Main Street) easterly to Division Street and easterly to west of Ogden Highway in the city of Adrian, Lenawee County.

0.00 % DBE participation required

LOCAL AGENCY CONTRACTS

6. Letting of June 4, 2021
Letting Call: 2106 003
Project: BHT 11000-207717 , ETC
Local Agreement: 21-5138
Start Date: 10 days after award
Completion Date: August 12, 2022

Bridge rehabilitation includes deck and sidewalk repairs, epoxy overlay, partial cleaning and coating structural steel on Walton Road and West Napier Avenue over St. Joseph River, Berrien County. This is a Local Agency project.

3.00 % DBE participation required

7. Letting of June 4, 2021
Letting Call: 2106 004
Project: HRRR 40000-21024
Local Agreement: 21-5158
Start Date: 10 days after award
Completion Date: October 1, 2021

Prequalification Level:
\$857,000.00

1.37 mi of hot mix asphalt crush, shape and resurface, concrete curb and gutter, guardrail, signing, drainage and pavement markings on County Road 612 at Crawford Lake Road, Kalkaska County. This is a Local Agency project.

4.00 % DBE participation required
8. Letting of June 4, 2021
Letting Call: 2106 005
Project: STL 14000-211999
Local Agreement: 21-5173
Start Date: 10 days after award
Completion Date: September 3, 2021

Prequalification Level:
\$506,000.00

1.27 mi of hot mix asphalt crushing, shaping, and resurfacing, aggregate shoulders, and pavement markings on Mason Street east of Kessington Road, Cass County. This is a Local Agency project.

3.00 % DBE participation required
9. Letting of June 4, 2021
Letting Call: 2106 009
Project: NH 41000-211819
Local Agreement: 21-5172
Start Date: July 6, 2021
Completion Date: September 30, 2021

Prequalification Level:
\$916,000.00

0.97 mi of hot mix asphalt cold milling and resurfacing, sidewalk ramps and pavement markings on 68th Street from Division Avenue easterly to Eastern Avenue, Kent County. This is a Local Agency project.

4.00 % DBE participation required
10. Letting of June 4, 2021
Letting Call: 2106 011
Project: STL 70000-206749
Local Agreement: 21-5196
Start Date: 10 days after award
Completion Date: September 24, 2021

Prequalification Level:
\$1,940,000.00

4.00 mi of hot mix asphalt cold milling and resurfacing, trenching, aggregate shoulders, and pavement markings on 104th Avenue from M-45 north to North Cedar Drive, Ottawa County. This is a Local Agency project.

3.00 % DBE participation required

11. Letting of June 4, 2021
Letting Call: 2106 012
Project: HSIP 38000-210435
Local Agreement: 21-5204
Start Date: 10 days after award
Completion Date: October 28, 2022
- Prequalification Level:
\$1,290,000.00
- Signal modernization includes mast arms, backplates pedestrian signals, controllers and cabinets and street lighting on Wisner Street at Ganson Street, North Street, and Argyle Street, city of Jackson, Jackson County. This is a Local Agency project.
- 0.00 % DBE participation required
12. Letting of June 4, 2021
Letting Call: 2106 013
Project: HRRR 77000-210362
Local Agreement: 21-5177
Start Date: August 2, 2021
Completion Date: June 10, 2022
- Prequalification Level:
\$877,000.00
- 0.32 mi of roundabout construction includes hot mix asphalt crush, shape and resurface, concrete curb and gutter, storm sewer and pavement markings on Gratiot Road at Palms Road, St. Clair County. This is a Local Agency project.
- 4.00 % DBE participation required
13. Letting of June 4, 2021
Letting Call: 2106 015
Project: STU 70000-205542
Local Agreement: 21-5185
Start Date: 10 days after award
Completion Date: August 27, 2021
- Prequalification Level:
\$919,000.00
- 2.30 mi of hot mix asphalt cold milling and resurfacing, sidewalk ramps and pavement markings on 8th Avenue from Jackson Street northerly to Port Sheldon Street, Ottawa County. This is a Local Agency project.
- 3.00 % DBE participation required
14. Letting of June 4, 2021
Letting Call: 2106 016
Project: EDC 25000-207669
Local Agreement: 21-5190
Start Date: 10 days after award
Completion Date: June 1, 2022
- Prequalification Level:
\$2,561,000.00
- 0.67 mi of construction of a roundabout includes hot mix asphalt and concrete pavement, concrete curb and gutter, storm sewer, signing and pavement markings on Grand Blanc Road from Dort Highway (M-54) to the west city limits of Grand Blanc, Genesee County. This is a Local Agency project.
- 0.00 % DBE participation required

15. Letting of June 4, 2021
Letting Call: 2106 017
Project: STUL 56000-129774
Local Agreement: 21-5194
Start Date: 10 days after award
Completion Date: October 22, 2021

Prequalification Level:
\$1,305,000.00

1.98 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter and sidewalk ramps, and pavement markings on Poseyville Road from Gordonville Road to the Midland city limits, Midland County. This is a Local Agency project.

4.00 % DBE participation required
16. Letting of June 4, 2021
Letting Call: 2106 018
Project: STL 11000-206402
Local Agreement: 21-5214
Start Date: 10 days after award
Completion Date: May 15, 2022

Prequalification Level:
\$2,624,000.00

2.05 mi of hot mix asphalt cold milling and resurfacing, shared-use path, and pavement markings on South Red Arrow Highway from southwest of Harbert Road to Sawyer Road, Berrien County. This is a Local Agency project.

3.00 % DBE participation required
17. Letting of June 4, 2021
Letting Call: 2106 020
Project: TAUL 21000-207911
Local Agreement: 21-5211
Start Date: 10 days after award
Completion Date: October 1, 2021

Prequalification Level:
\$955,000.00

1.69 mi of hot mix asphalt shared-use path, and concrete curb, gutter, and ramps along Danforth Road from North 30th Street to Lincoln Road (US-2/US-41/M-35) in the city of Escanaba, Delta County. This is a Local Agency project.

3.00 % DBE participation required
18. Letting of June 4, 2021
Letting Call: 2106 030
Project: STL 83000-211956
Local Agreement: 21-5181
Start Date: September 27, 2021
Completion Date: October 30, 2021

Prequalification Level:
\$1,255,000.00

7.35 mi of hot mix asphalt resurfacing, aggregate shoulders, and pavement markings on N 9 Road from M115 north to County Line Road, Wexford County. This is a Local Agency project.

2.00 % DBE participation required

19. Letting of June 4, 2021
Letting Call: 2106 031
Project: HSIP 59000-210237
Local Agreement: 21-5184
Start Date: 10 days after award
Completion Date: November 15, 2021

Prequalification Level:
\$565,000.00

1.31 mi of hot mix asphalt cold milling and resurfacing, drainage, concrete curb and gutter, shoulder corrugations, signing and pavement markings on Howard City Edmore Road (CR 582) at Amy School Road and on Federal Road from Pierson Road to Cannonsville Road, Montcalm County. This is a Local Agency project.

4.00 % DBE participation required
20. Letting of June 4, 2021
Letting Call: 2106 034
Project: STUL 77000-203066
Local Agreement: 21-5207
Start Date: August 2, 2021
Completion Date: June 10, 2022

Prequalification Level:
\$845,000.00

1.10 mi of hot mix asphalt crushing, shaping, and resurfacing, trench widening, drainage and pavement markings on Range Road from Griswold Road to Lapeer Road, St. Clair County. This is a Local Agency project.

4.00 % DBE participation required
21. Letting of June 4, 2021
Letting Call: 2106 035
Project: FLAP 53000-210972
Local Agreement: 21-5201
Start Date: 10 days after award
Completion Date: November 1, 2021

Prequalification Level:
\$823,000.00

2.53 mi of hot mix asphalt base crushing, shaping, and resurfacing, superelevation improvements and aggregate shoulders on West Forest Trail Drive from Morton Road east to Quarterline Road, Mason County. This is a Local Agency project.

3.00 % DBE participation required
22. Letting of June 4, 2021
Letting Call: 2106 036
Project: HRRR 19000-209075
Local Agreement: 21-5189
Start Date: 10 days after award
Completion Date: November 13, 2021

Prequalification Level:
\$658,000.00

1.00 mi of hot mix asphalt crush, shape and resurface, guardrail, drainage, shoulder corrugations, signing and pavement markings on Colony Road at US-127 and Scott Road from Kinley Road to Colony Road, Clinton County. This is a Local Agency project.

4.00 % DBE participation required

23. Letting of June 4, 2021
Letting Call: 2106 037
Project: STL 37000-206362
Local Agreement: 21-5180
Start Date: 10 days after award
Completion Date: October 15, 2021

Prequalification Level:
\$886,000.00

4.00 mi of hot mix asphalt cold milling and resurfacing, concrete sidewalk ramps, aggregate shoulders, guardrail, and pavement markings on Mission Road from Baseline Road to Rosebush Road, Isabella County. This is a Local Agency project.

3.00 % DBE participation required
24. Letting of June 4, 2021
Letting Call: 2106 038
Project: NRT 61000-208592
Local Agreement: 21-5202
Start Date: August 2, 2021
Completion Date: June 3, 2022

Prequalification Level:
\$559,000.00

0.93 mi of hot mix asphalt shared-use path and timber boardwalk along Port City Boulevard, Latimer Drive, and Black Creek Road from Keating Avenue to south of Olthoff Drive in the city of Muskegon, Muskegon County. This is a Local Agency project.

3.00 % DBE participation required
25. Letting of June 4, 2021
Letting Call: 2106 039
Project: TAU 81000-210955
Local Agreement: 21-5203
Start Date: 10 days after award
Completion Date: June 10, 2022

Prequalification Level:
\$739,000.00

0.36 mi of hot mix asphalt shared-use path, concrete curb and gutter, boardwalk, culverts, sewer, drainage, and steel helical piles along Prospect Road from Berkshire Drive to Geddes Road, Washtenaw County. This is a Local Agency project.

5.00 % DBE participation required
26. Letting of June 4, 2021
Letting Call: 2106 041
Project: STL 54000-133254
Local Agreement: 21-5183
Start Date: 10 days after award
Completion Date: October 15, 2021

Prequalification Level:
\$737,000.00

1.59 mi of hot mix asphalt base crushing, shaping, and resurfacing, guardrail replacement, signing and pavement markings on 14 Mile Road from 90th Avenue to 105th Avenue, Mecosta County. This is a Local Agency project.

3.00 % DBE participation required

27. Letting of June 4, 2021
Letting Call: 2106 042
Project: STL 19000-206986
Local Agreement: 21-5195
Start Date: August 1, 2021
Completion Date: November 15, 2021
- Prequalification Level:
\$530,000.00
- 1.80 mi of hot mix asphalt base crushing, shaping, and resurfacing, aggregate shoulders, and pavement markings on Townsend Road from US-127 east to Krepps Road and on Krepps Road from Townsend Road north to M-21, Clinton County. This is a Local Agency project.
- 3.00 % DBE participation required
28. Letting of June 4, 2021
Letting Call: 2106 043
Project: TA 63000-209774
Local Agreement: 21-5198
Start Date: 10 days after award
Completion Date: October 25, 2023
- Prequalification Level:
\$1,203,000.00
- Sidewalk, crosswalk, and pedestrian facility improvements on 11 Mile Road at Deerfield, Parkview, Novi Woods, Novi Meadows, and Orchard Hills elementary schools in the city of Novi, Oakland County. This is a Local Agency project.
- 5.00 % DBE participation required
29. Letting of June 4, 2021
Letting Call: 2106 044
Project: FLAP 31000-210969
Local Agreement: 21-5199
Start Date: 10 days after award
Completion Date: August 20, 2021
- Prequalification Level:
\$620,000.00
- 2.04 mi of hot mix asphalt resurfacing, drainage, and pavement markings on FH-16 north of M-28, Houghton County. This is a Local Agency project.
- 0.00 % DBE participation required
30. Letting of June 4, 2021
Letting Call: 2106 045
Project: CM 33000-207037 , ETC
Local Agreement: 21-5217
Start Date: July 5, 2021
Completion Date: October 8, 2021
- Prequalification Level:
\$1,557,000.00
- 2.85 mi of hot mix asphalt cold milling and resurfacing, shared-use path, curb and gutter repair and pavement markings on Forest Road from east of I-496/US-127 to Harrison Road, on Collins Road from Forest Road to Dunkel Road, and on Forest Road from Collins Road to Harrison Road in the city of Lansing, Ingham County. This is a Local Agency project.
- 5.00 % DBE participation required

31. Letting of June 4, 2021
Letting Call: 2106 050
Project: TAL 16000-210128
Local Agreement: 21-5186
Start Date: 10 days after award
Completion Date: October 4, 2021

1.42 mi of hot mix asphalt shared-use path along Burt Lake Road from Riggsville Road to West Birchwood Road, Cheboygan County. This is a Local Agency project.

3.00 % DBE participation required

Prequalification Level:
\$508,000.00

32. Letting of June 4, 2021
Letting Call: 2106 052
Project: STU 23000-205693
Local Agreement: 21-5174
Start Date: July 12, 2021
Completion Date: October 8, 2021

1.78 mi of hot mix asphalt crushing, shaping, and resurfacing, concrete curb and gutter, culvert replacements and pavement markings on Mt. Hope Highway from Nixon Road to east of I-96/I-69, Eaton County. This is a Local Agency project.

3.00 % DBE participation required

Prequalification Level:
\$1,545,000.00

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of April 7, 2021.

Respectfully submitted,

Paul C. Ajegba
Director

OFFICE MEMORANDUM

DATE: May 21, 2021

TO: State Transportation Commission

FROM: Jack Cotter, CPA, CGMA
Commission Auditor
Office of Commission Audits

SUBJECT: Justification Memorandums

Attached for your information are the department's justification memorandums for Exhibit A-2 items where the low bid exceeded the engineer's estimate by more than ten percent.

Signed copy on file

Jack Cotter, CPA, CGMA
Commission Auditor

Attachments

cc: T. Hagon

DATE: May 12, 2021

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: May 7, 2021

Project Description: 1.24 mi of hot mix asphalt resurfacing, concrete curb and gutter, sidewalk, sidewalk ramps, culverts, sewer, drainage, guardrail and pavement markings on Sprinkle Road from Milham Avenue to N Avenue, Kalamazoo County.

Project Number: 39000-206265

Item Number: 2105 009

Low Bidder: Kamminga & Roodvoets, Inc

Eng. Est: \$2,393,981.25 Low Bid: \$2,707,493.81 Difference: \$313,512.56 Percent: 13.10

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$2,393,981.25
Kamminga & Roodvoets, Inc.	\$2,707,493.81
Hoffman Bros., Inc.	\$2,952,383.56
M & M Excavating Company	\$3,047,870.26
Michigan Paving and Materials Company	\$3,063,937.86

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main item found to be bid higher than the engineer's estimate was minor traffic devices. This item was bid higher than normal due to maintaining traffic requirements. There will be multiple phases and traffic shifts required during construction to effectively maintain traffic, particularly while installing the box culvert at a major intersection. In addition, there are specific requirements that restrict the closure of certain intersections. Also, increased coordination by the contractor with Kalamazoo County, MDOT, and the city of Portage will be necessary due to the work on nearby I-94. These conditions led to an increase in the costs to facilitate traffic through the work zone. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the maintaining traffic requirements. This project received four bids ranging from \$2,707,493.81 to \$3,063,937.86, which varied by 13.17 percent. The two lowest bids varied by 9.04 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Kalamazoo County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	A. Houska
G. Masinda	L. Brenner	S. Sorenson	W. Thompson	

BOD:DD:QA:DLP:raw

DATE: May 13, 2021

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: May 7, 2021

Project Description: Bridge reconstruction includes replacing deck, clean and paint steel beams, substructure extension and approach work on Saginaw Street over the south branch of the Flint River, Lapeer County.

Project Number: 44000-206082

Item Number: 2105 046

Low Bidder: Z Contractors, Inc.

Eng. Est: \$676,711.40 Low Bid: \$902,627.70 Difference: \$225,916.30 Percent: 33.38

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$676,711.40
Z Contractors, Inc.	\$902,627.70
C. A. Hull Co., Inc.	\$943,450.50

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are substructure concrete and structures, rehabilitation, remove portions. This deck replacement project includes wingwall extensions that will be connected to the existing abutment backwall. The concrete deck removal partially encases the steel beams, and the removals must be completed while protecting those beams. No existing plans are available for this structure, so the exact removals and connection to existing concrete are unknown. This creates a risk for the contractor to estimate time and effort required for the removals, and for the reconstruction of the wingwall extensions (substructure concrete), causing the pay items for this work to be bid higher than estimated. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the protection required for the steel beams, and the lack of existing plans. This project received two bids of \$902,627.70 and \$943,450.50, which varied by only 4.52 percent. We believe that

May 13, 2021

rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Lapeer County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	R. Levine
K. Brown	J. Garza	R. Ranck	M. Chynoweth	R. Curtis
A. Houska				

BOD:DD:QA:MJI:raw

DATE: May 13, 2021

TO: Patrick J. McCarthy, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: May 7, 2021

Project Description: Bridge replacement with 33x118 steel beams and 8 inch treated panel laminated deck, guardrail and approach work on Cheese Factory Road over the east branch of the Sturgeon River, Dickinson County.

Project Number: 22000-202441

Item Number: 2105 061

Low Bidder: Zenith Tech, Inc.

Eng. Est: \$897,980.00 Low Bid: \$1,133,059.20 Difference: \$235,079.20 Percent: 26.18

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$897,980.00
Zenith Tech, Inc.	\$1,133,059.20
Hebert Construction Co.	\$1,286,209.38
A. Lindberg & Sons, Inc.	\$1,410,671.60

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are structures remove portions, temporary construction pad, and bridge construction items for the superstructure and deck (bridge prefabricated superstructure and timber and lumber, treated furnish and place). This project consists of a 100-foot-long bridge replacement with the existing pier being partially removed and reconstructed. Construction activities are regulated by the Department of Environment, Great Lakes and Energy (EGLE) permit. Access to the center pier, via temporary construction pad, is only allowed a maximum of fourteen days. This creates a restrictive timeframe for the partial removal and reconstruction of the existing pier, and limits access for placement of the prefabricated superstructure and timber deck placement. These restrictions create more labor-intensive work for the contractor to access both sides of the site to complete the work, causing the pay items for this work to be bid higher than estimated. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of permit restrictions and limited accessibility. This project received three bids ranging from \$1,133,059.20 to \$1,410,671.60, which varied by 24.50 percent. The two lowest bids varied by 13.52 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Dickinson County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	R. Levine
S. Cadeau	M. Maloney	A. Johnson	M. Chynoweth	A. Houska

BOD:DD:QA:MJI:raw

REQUEST FOR MICHIGAN STATE
TRANSPORTATION COMMISSION APPROVAL
LETTING EXCEPTIONS AGENDA

May 27, 2021

LOCAL AGENCY CONTRACTS

1. Letting of May 7, 2021
 Letting Call: 2105 009
 Project: STU 39000-206265
 Local Agreement: 21-5149
 Start Date: 10 days after award
 Completion Date: October 30, 2021
- Low Bid: **\$2,707,493.81**
 Engineer Estimate: \$2,393,981.25
 Pct Over/Under Estimate: 13.10 %

1.24 mi of hot mix asphalt resurfacing, concrete curb and gutter, sidewalk, sidewalk ramps, culverts, sewer, drainage, guardrail, and pavement markings on Sprinkle Road from Milham Avenue to N Avenue, Kalamazoo County. This is a Local Agency project.

3.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Kamminga & Roodvoets, Inc.	\$2,707,493.81	Same	1 **
Hoffman Bros., Inc.	\$2,952,383.56	Same	2
M & M Excavating Company	\$3,047,870.26	Same	3
Michigan Paving and Materials Company	\$3,063,937.86	Same	4

Total Number of Bidders: 4

2. Letting of May 7, 2021
 Letting Call: 2105 014
 Project: SUG 82000-212176
 Local Agreement: 21-5121
 Start Date: 10 days after award
 Completion Date: June 15, 2022
- Low Bid: **\$1,526,600.76**
 Engineer Estimate: \$1,400,000.00
 Pct Over/Under Estimate: 9.04 %

Application of long line pavement markings and symbols on various routes in the city of Detroit, Wayne County. This is a Local Agency project.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
P.K. Contracting, Inc.	\$1,526,600.76	Same	1 **

Total Number of Bidders: 1

3. Letting of May 7, 2021
 Letting Call: 2105 046
 Project: BHT 44000-206082
 Local Agreement: 21-5142
 Start Date: June 7, 2021
 Completion Date: September 30, 2021

Low Bid: **\$902,627.70**
 Engineer Estimate: \$676,711.40
 Pct Over/Under Estimate: 33.38 %

Bridge reconstruction includes replacing deck, clean and paint steel beams, substructure extension and approach work on Saginaw Street over the south branch of the Flint River, Lapeer County. This is a Local Agency project.

2.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Z Contractors, Inc.	\$902,627.70	Same	1 **
C. A. Hull Co., Inc.	\$943,450.50	Same	2

Total Number of Bidders: 2

4. Letting of May 7, 2021
 Letting Call: 2105 061
 Project: MCS 22000-202441
 Local Agreement: 21-5164
 Start Date: 10 days after award
 Completion Date: June 30, 2022

Low Bid: **\$1,133,059.20**
 Engineer Estimate: \$897,980.00
 Pct Over/Under Estimate: 26.18 %

Bridge replacement with 33x118 steel beams and 8-inch treated panel laminated deck, guardrail, and approach work on Cheese Factory Road over the east branch of the Sturgeon River, Dickinson County. This is a Local agency project.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Zenith Tech, Inc.	\$1,133,059.20	Same	1 **
Hebert Construction Co.	\$1,286,209.38	Same	2
A. Lindberg & Sons, Inc.	\$1,410,671.60	Same	3

Total Number of Bidders: 3

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of April 7, 2021.

Respectfully submitted,

Paul C. Ajegba, P.E.
 Director

INFORMATION FOR MICHIGAN STATE
TRANSPORTATION COMMISSION

May 27, 2021

The following project information is being provided for informational purposes, as requested by the State Transportation Commission

TRUNKLINE CONTRACT

1. Letting of May 7, 2021
Letting Call: 2105 056
Project: HSIP 41000-207284
Local Agreement:
Start Date: May 15, 2021
Completion Date: November 30, 2021

Low Bid: **\$337,608.00**
Engineer Estimate: \$309,082.51
Pct Over/Under Estimate: 9.23 %

Application of special pavement markings on various routes, Lake, Mecosta, Montcalm, Newaygo and Osceola Counties.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
P.K. Contracting, Inc.	\$337,608.00	Same	1 **

Total Number of Bidders: 1

These projects, for which the bid is under Five Hundred Thousand Dollars (\$500,000) and has less than two (2) bidders or is a low bid rejection or have other bid issues, are being submitted for informational purposes. The contracts for these projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum April 7, 2021.

Respectfully submitted,

Paul C. Ajegba P.E.
Director